

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
MONTANA STATE AUDITOR**

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IN THE MATTER OF:

GREAT NORTHWEST  
INSURANCE COMPANY,

Respondent.

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) CASE NO. INS-2012-114  
)  
)  
) **CONSENT AGREEMENT AND**  
) **FINAL ORDER**  
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This Consent Agreement and Final Order (Agreement) is between the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et seq., and Great Northwest Insurance Company (Respondent) (collectively, the parties).

**RECITALS**

WHEREAS, Respondent is an insurance company licensed to operate in the State of Montana;

WHEREAS, Respondent filed appointments for the First American Insurance Agency, Inc. (Missoula) and the First American Insurance Agency, Inc. (Libby) branch offices with the CSI in 2005;

WHEREAS, Respondent did not file—and to date has not filed—an appointment for the First American Insurance Agency, Inc. (Anaconda) branch office with the CSI;

WHEREAS, Respondent has accepted multiple insurance policies from the unappointed First American Insurance Agency, Inc. (Anaconda) branch office; and

WHEREAS, the parties agree that the best interests of the public would be served by entering into this Agreement.

NOW, THEREFORE, in consideration of mutual undertakings contained in this Agreement, the parties agree to settle this matter with the following terms and conditions:

**STIPULATIONS AND CONSENTS**

1. Respondent stipulates and consents that:

A. The allegations set forth above are true and correct.

B. Respondent will file appointment for the branch of First American Insurance Agency, Inc., (Anaconda), business entity insurance producer license #983991, within ten days following the signing of this Agreement.

C. Respondent will ensure that all insurance producers from which Respondent accepts business are properly licensed and appointed with the CSI.

D. Respondent will pay an administrative fine in the amount of \$5,000, with all but \$1,000 suspended, to the CSI within 30 days following the signing of this Agreement. Respondent agrees to pay the remaining \$4,000.00 of the administrative fine settlement if, within two years following the signing of this Agreement, Respondent fails to comply with any term or condition of this Agreement, or fails to comply with the Montana Insurance Code or any administrative rules. Respondent's failure to comply during this time period will be determined in a subsequent legal (administrative, civil and/or criminal) proceeding by the Commissioner, CSI, or State of Montana which may be concluded during or after the two-year time period following the signing of this document. The remaining \$4,000.00 of Respondent's administrative fine settlement will be due within 30 days following any determination of Respondent's failure to comply.

E. Respondent will comply with the terms and conditions of this Agreement, the Montana Insurance Code, and all other regulations of the State of Montana.

F. Respondent fully and forever releases and discharges the CSI and all CSI employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

G. Respondent specifically and affirmatively waives a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, Montana Code Ann. § 2-4-101 et seq., and elects to resolve this matter on the terms and conditions set forth in this Agreement.

H. Respondent agrees that the applicable statute of limitation pursuant to Mont. Code Ann. § 33-1-707 is tolled for two years from the date of execution of this Agreement with regard to the allegations set forth above.

I. Respondent acknowledges that it was advised of the right to be represented by legal counsel and if represented by legal counsel, that such legal representation was satisfactory.

J. Respondent acknowledges that this Agreement is signed by an authorized representative, who has read and understands each term of this Agreement.

K. Respondent acknowledges that it enters into this Consent Agreement voluntarily and without reservation.

2. The parties to this Agreement stipulate and agree that:

A. This Agreement resolves the matter described in the recitals, and the CSI has no intention to impose any additional penalty, fine, or any other disciplinary action for that conduct.

B. This Agreement is entered into without adjudication of any issue, law, or fact. It is entered into solely for the purpose of resolving the matter described in the Recitals, and is not intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not alter, limit, or create any private rights or remedies against the parties.

C. This Agreement constitutes the entire agreement between the parties on this matter. No other promises or agreements, either express or implied, have been made between the CSI, any member, officer, agent, or representative of the CSI, and Respondent related to this matter.

D. This Agreement may not be modified orally. Any subsequent modifications to this Agreement will be in a mutually-agreed writing with the same formality as this Agreement.

E. This Agreement will be effective upon signing of the Final Order.

F. This Agreement is a public record under Montana law and as such may not be sealed or otherwise withheld from the public.

DATED this 2<sup>nd</sup> day of December, 2013.

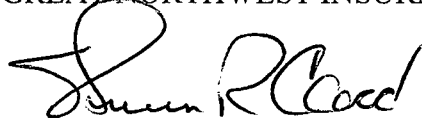
OFFICE OF THE COMMISSIONER OF  
SECURITIES AND INSURANCE,  
MONTANA STATE AUDITOR



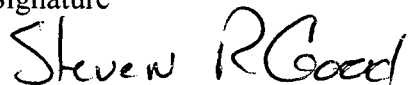
MICHAEL A. KAKUK  
Attorney for the CSI

DATED this 18 day of November, 2013.


GREAT NORTHWEST INSURANCE COMPANY



Signature



Printed Name



Title

**FINAL ORDER**

Pursuant to the authority vested by Mont. Code Ann. §§ 2-4-603 and 33-1-101, *et seq.*,  
and upon review of the forgoing Agreement and there appearing to be good cause,

IT IS ORDERED that the foregoing Consent Agreement between the Office of the  
Commissioner of Securities and Insurance, Montana State Auditor, and Respondent Great  
Northwest Insurance Company, is adopted as set forth fully herein.

Dated this 3<sup>rd</sup> day of December, 2013.

**MONICA J. LINDEEN**  
Commissioner of Securities and Insurance  
Montana State Auditor

By: \_\_\_\_\_

  
**ADAM SCHAFER**  
Deputy Commissioner